

member who has engaged in the illegal use of drugs to submit evidence of participation in, or successful completion of, a treatment program as a condition to being allowed to reside in the unit.

(c) *Evidence of criminal activity.* In determining whether to deny or terminate assistance based on drug-related criminal activity or violent criminal activity, the HA may deny or terminate assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted.

§ 982.554 Informal review for applicant.

(a) *Notice to applicant.* The HA must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the HA decision. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review.

(b) *Informal review process.* The HA must give an applicant an opportunity for an informal review of the HA decision denying assistance to the applicant. The administrative plan must state the HA procedures for conducting an informal review. The HA review procedures must comply with the following:

(1) The review may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person.

(2) The applicant must be given an opportunity to present written or oral objections to the HA decision.

(3) The HA must notify the applicant of the HA final decision after the informal review, including a brief statement of the reasons for the final decision.

(c) *When informal review is not required.* The HA is not required to provide the applicant an opportunity for an informal review for any of the following:

(1) Discretionary administrative determinations by the HA.

(2) General policy issues or class grievances.

(3) A determination of the family unit size under the HA subsidy standards.

(4) An HA determination not to approve an extension or suspension of a certificate or voucher term.

(5) An HA determination not to grant approval to lease a unit under the program or to approve a proposed lease.

(6) An HA determination that a unit selected by the applicant is not in compliance with HQS.

(7) An HA determination that the unit is not in accordance with HQS because of the family size or composition.

(d) *Restrictions on assistance for non-citizens.* The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 13627, Mar. 27, 1996]

§ 982.555 Informal hearing for participant.

(a) *When hearing is required.*—(1) An HA must give a participant family an opportunity for an informal hearing to consider whether the following HA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and HA policies:

(i) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.

(ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the HA utility allowance schedule.

(iii) A determination of the family unit size under the HA subsidy standards.

(iv) A determination that a certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the HA subsidy standards, or the HA determination to deny the family's request for an exception from the standards.